

Minutes of the Meeting of the Approval Committee of Noida SEZ held on 29/03/2012 at 3 PM in the Conference Hall of NSEZ, Noida.

The meeting of the Approval Committee, NSEZ, was chaired by Shri C.P.S. Bakshi, Development Commissioner, Noida SEZ. The following Members of the Approval Committee were present in the Meeting:

1. Shri Sumeet Jerath, Additional DGFT, North Zone, Delhi;
2. Shri Mahesh Kumar Rustgi, Additional Commissioner (Customs), New Delhi;
3. Shri Ramesh Chandra, General Manager, D.I.C., Sector-20, Noida, Dist: G.B. Nagar (Representative of Principal Secretary, Industries, Govt. of U.P., Lucknow).
4. Shri R.K. Joshi, Dy. Development Commissioner, NSEZ, Noida.

Besides, Shri Sharad Srivastav, Dy. Commissioner of Customs, Shri Utsav Sharma, A.E.E., UPPCB, Noida and Shri M.N.Sukole, Astt. DC, NSEZ, also attended the Meeting.

GIST OF THE MEETING:

Ratification of Minutes of last Meeting of the Approval Committee:

The Approval Committee ratified the minutes of the Meeting held on 05/03/2012.

Decisions on Proposals

1. **Application of M/s Sun Aromatics for setting up a unit in Noida SEZ for manufacturing of Aromatics and Allied Products: Menthol, menthol crystal, L-Menthol, Peppermint oil, cornmint oil, mint blend, menthones, terpenes, other value added product of mentha oil byproduct waste.**

The Committee was informed that BOA, on 13.03.2012, heard the applicant. The Applicant stated that he had represented to the BOA that the SCN was frivolous and since he is a running/operational unit, he cannot be denied his right to do business from SEZ on the ground alone. Since there were cases/SCNs against many businesses, they would be debarred from SEZs if their application is rejected on the ground alone. The BOA was informed that the firm to whom SCN had been issued was operational. The Board, after deliberations, allowed the appeal and directed DC, NSEZ to reconsider the application of the appellant for setting up of a unit in the NSEZ. Member(DGFT) confirmed from the representative-promoter whether the promoters had worth to pay the duty demanded in SCN to which the unit replied in affirmative. Special invitee Officer from the UPPCB also confirmed from the unit representative that there would be no effluent/wastage in the production process of proposed unit. As regards space, the representative informed that they



would make arrangement of space inside the zone by applying for transfer of plot/building from existing LOA holder allottee.

The project was **approved** by the Committee subject to arrangement of space on its own by the promoters and due diligence measures on expenditure should be taken by the promoters to fulfill their contingent liability in the event of adjudication of SCN against the promoters.

2. M/s. Dwarka Das Seth SEZ India Inc. – Inclusion of additional item in LOA.

No representative appeared in the last meeting as well as this meeting. The Committee decided **not to allow** inclusion of additional item in the LOA and directed to let the unit prove itself in the given manufacturing activities before permitting any broadbanding.

3. M/s. H & S Industries - issue regarding validity of LOA and request of the unit to permit trading for 4 months.

As regards request of the unit to permit trading for 4 months, the Committee was informed that the request had been withdrawn by the unit.

As regards the issue of validity of LOA, the Committee was informed that DC as per SEZ Rules extended the validity of LOA upto 30.09.2010 and there would be no provision to extend the LOA further. The unit representative informed that they had certain automobile parts manufactured by them but the same could not be exported for want of export orders. The Committee found it prudent to get information as to whether manufacturing actually took place, so that date of commencement of production (i.e., 28.09.2011) conveyed vide letter dated 25.01.2011 can be taken on record. The Committee **directed** DC(Customs) to visit the unit and manufactured goods vis-à-vis plant and machinery installed be inspected and report submitted to UAC.

4. M/s. Sara Trans Industries – inclusion of additional items in LOA.

As no representative appeared before the Committee, the Committee decided to **defer** consideration of the proposal to the next meeting.



5. M/s Indo Widecom International Ltd. - Monitoring of performance.

The Committee considered the matter. The Committee is of the view that as the unit failed to pay rent of allotted premises and zone authorities had to take possession of the premises under the Public Premises (Eviction of Unauthorized Occupants) Act, there may not be any hope of revival. In view of the above, the Committee empowered DC to adjudicate on the basis of submissions, information and facts at hand and issue adjudication order to the earlier issued Show Cause Notice.

6. M/s. Alcome Perfumes & Cosmetics Pvt. Ltd. - Monitoring of performance and grievance of not getting electricity connection.

The Committee conveyed the representative director, its strong displeasure for non-payment of penalty imposed by DC, non-payment of rent timely and non-submission of APRs since inception. The Committee asked the representative to pay rental dues and deposit penalty within a month's time and to submit APRs for the period of 2009-10 and 2010-11 within 7 days i.e., by 04.04.2012. Further, as regards long pending application of the unit for electricity connection, as the UPPCL could not send its representative due to closing of the year, the Committee decided that the UPPCL may be written by the O/o. DC.

7. M/s. Asian Latex Ltd. – Monitoring of performance.

The Unit representative informed that they have not started export till date as they had no export orders. The Committee directed the representative to make export within 3 months. After deliberations, the Committee decided to **issue** Show Cause Notice for non-achievement of positive NFE as per the guidelines in this regard.

8. M/s. Sterling Security Systems – Review of performance.

The representative Shri Atul Gupta, son of the proprietor Shri S.P. Gupta, suo moto informed the Committee they did not have business since last 8-9 months and they had to resort to retrenching their staff. The Committee was informed from official side that the Unit had been claiming exemption from declaration in the form of SOFTEX or GR, although it submitted copies of FIRCs. On specific query of the Committee whether they want to work further, the unit-representative categorically stated that they don't want



extension in the validity of LOA. In view of this, the Committee reviewed the performance of the Unit for initial 4 and half years and decided to approve the request for exit made during the meeting.

9. M/s. Ameks Techfab Pvt. Ltd. – Monitoring of performance.

The Committee expressed dissatisfaction over the non-compliances such as non-submission of APRs and outstanding rental dues of more than Rs. 8.45 lacs. The Committee **advised** the unit-representative to clear the rental dues and submit APRs within a month. As regards item of production, the unit representative informed that they are now into garments for ladies and children and not manufacturing (bullet-proof) Safety jacket.

10. The matter relating to detention and then seizure by the DRI of approx. 250 Kg. Semi-finished Gold jewellery imported by M/s. Kundan Rice Mills Ltd.

The Committee was apprised that the UAC had taken a general decision in its meeting dated 06.03.2009 to withdraw all approvals granted earlier for authorised operations pertaining to polishing and plating of jewellery. M/s. Kundan Rice Mills Ltd. not being aware of the instructions imported the said consignment. The same was allowed for import subject to 100% examination. The matter was ordered to be placed before the Approval Committee for consideration along with the examination report for further orders. In the meantime, the Directorate of Revenue Intelligence(DRI) seized the goods before examination of the consignment could take place.

The UAC ratified the decision taken and referred the matter to BOA to take further view as to whether 'polishing and plating' could be allowed as Manufacture in general and specific to the consignment in question.

11. Monitoring of performance by the Approval Committee, NSEZ in terms of Rule 54 of SEZ Rules, 2006 :

- (i) M/s Mehra Associates,
- (ii) M/s Groupe iSOURCE,
- (iii) M/s Dialmaz Exports,
- (iv) M/s Stylistic Metals Pvt. Ltd.,



(v) **M/s Taiba International**

APRs of the above-mentioned Units upto the year 2010-11 were placed before the Approval Committee. The Committee reviewed performance of the above-mentioned five units and compliance with the conditions of approval on the basis of the Annual Performance Reports and took note of achievement of positive NFE earnings by these units.

12. Approval of Services:

- i. **M/s. Thomson Digital, Editorial & Design Services Division-A Division of Thomson Press(India) Ltd.**
- ii. **M/s. Thomson Digital, A Division of Thomson Press(India) Ltd.**
- iii. **M/s. Advance Valves Global :**
- iv. **M/s. Hanung Toys & Textiles Ltd. (Unit-I):**
- v. **M/s. Hanung Toys & Textiles Ltd. (Unit-II)**
- vi. **M/s. Intelligrape Software Pvt. Ltd.**
- vii. **M/s. On-Graph Technologies Pvt. Ltd.**

The Committee **approved** all the requested service(s)/lists submitted by the respective units, except the service of 'Hospital, nursing home or multi-specialty clinic services' in the list submitted by M/s. Advance Valves Global.

The Meeting ended with vote of thanks to the Chair.


(R.K. Joshi)

Deputy Development Commissioner


(C.P.S. Bakshi)

Development Commissioner
